

SENATE BILL REPORT

HB 2594

As Reported By Senate Committee On:
Financial Institutions & Insurance, February 27, 2008

Title: An act relating to distributing the insurance commissioner's examination reports.

Brief Description: Distributing the insurance commissioner's examination reports.

Sponsors: Representatives Kirby, Ormsby, Kenney and Upthegrove; by request of Insurance Commissioner.

Brief History: Passed House: 1/28/08, 93-0.

Committee Activity: Financial Institutions & Insurance: 2/20/08, 2/27/08 [DP].

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

Majority Report: Do pass.

Signed by Senators Berkey, Chair; Hobbs, Vice Chair; Benton, Ranking Minority Member; Franklin, Parlette, Prentice and Schoesler.

Staff: Aaron Gutierrez (786-7448)

Background: The Insurance Commissioner (Commissioner) examines the affairs, transactions, accounts, records, documents, and assets of certified insurers, licensed rating organizations, and examining bureaus in the state. Upon completion of the examination, comment, and reporting periods, the Commissioner issues a final order either adopting the report, rejecting the report, or calling for an investigatory hearing. If the order adopts the report, the Commissioner may order the company to take any action the Commissioner considers necessary and appropriate. All orders must be served upon the company by certified mail. A copy must go to each director at the director's residence address.

The Commissioner has discretion to conduct market examinations. Upon completion of the examination, comment, and reporting periods, the Commissioner issues a final order either adopting the report, rejecting the report, or calling for an investigatory hearing. If the order adopts the report, the Commissioner may order the company to take any action the Commissioner considers necessary and appropriate. All orders must be served upon the company by certified mail. A copy must go to each director at the director's residence address.

Summary of Bill: Orders may be served upon the company through a certifiable electronic means. Copies may be sent to the directors' personal e-mail accounts.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill helps OIC.

Persons Testifying: PRO: Mary Clogston, OIC.